



INQUIRY INTO RURAL AND REGIONAL ACCESS TO  
SECONDARY AND TERTIARY EDUCATION OPPORTUNITIES

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## THE VICTORIAN FARMERS FEDERATION

The Victorian Farmers Federation (VFF), Australia's largest state farmer organisation and the only recognised, consistent voice on issues affecting rural Victoria. The Victorian Farmer's Federation (VFF) welcomes the Department of Planning and Community Development's review into the current local law making system.

Despite farming on only three percent of Australia's available agricultural land, Victorian's produce 30 per cent of the nation's agricultural product. The VFF represents the interests of our State's dairy, livestock, grains, horticulture, chicken meat, pigs and egg producers.

## 1. INTRODUCTION

The Victorian Farmers Federation welcomes an assessment of the adequacy of Government measures to provide equitable access to secondary and post-secondary education opportunities to students from rural and regional communities attending metropolitan institutions, and metropolitan students attending regional universities or technical and further education (TAFE) colleges.

We note the focus of the inquiry includes:

- the financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE;
- the education alternatives for rural and regional students wanting to study in regional areas;
- the implications of current and proposed government measures on prospective students living in rural and regional areas;
- the short- and long-term impact of current and proposed government policies on regional university and TAFE college enrolments;
- the adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study;
- the educational needs of rural and regional students;
- the impact of government measures and proposals on rural and regional communities

As a key beneficiary of education and training, the Victorian farming community has a strong interest in the long term provision of quality education and training. The identified lower participation of young people from rural and regional areas in post compulsory education, in particular higher education, in comparison to metropolitan areas is a key concern of the farming sector. In 2007/08, of all non-metropolitan school leaver University offer recipients, only 53.3% enrolled that year compared to 81.3% of metropolitan offer recipients<sup>1</sup>.

Sustaining resilient and vibrant rural communities are important to both the future of the farming sector and the business community. We believe that this is more achievable by increased participation of young people in post compulsory education as they are the future of the country.

## 2. THE FINANCIAL IMPACT ON RURAL AND REGIONAL STUDENTS

The current funding to assist young people who have to move from rural and regional areas to metropolitan areas is inadequate and is contributing to the lower participation of young people in higher education.

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<sup>1</sup> Page 29, Parliament of Victoria, Education and Training Committee, Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education, July 2009

The current funding model does not recognise the distances for rural and regional students to travel to access education services at all levels of training.

Recent research undertaken by Charles Stuart University indicates that the annual cost for regional young people to study away from home is about \$15,000-20,000 a year which is out of reach of many families in rural and regional areas. This is further compounded by the fact the Youth Allowance does not adequately cover these costs. Many rural families are not aware that their children may be eligible for this support

Many young people are deferring their studies due to the high costs and financial hardship and are undertaking a GAP year between completing Year 12 and commencing higher education. Anecdotally, evidence suggests that 1 in 4 young people who have deferred in the South West of Victoria are not returning to study due to their capacity to earn money and be employed elsewhere.

A relatively large number of non-metropolitan students (18.5%) choose to take a GAP year compared to metropolitan students (8.2%) opting for a GAP year. The Victorian State Inquiry stated the following with regard to the use of a gap year<sup>2</sup>.

*While recognising the benefits that a gap year can provide, the Committee does not believe that deferring university studies should be a necessary financial decision. The Committee therefore believes that a fair and accessible system of government income support is essential, combined with additional interventions aimed at reducing the impact of financial barriers on participation in higher education.*

The State and Federal Governments must provide a more sustainable and equitable funding model for rural education that acknowledges the difference between delivery in regional Victoria and metropolitan Victoria with the model recognising the distances for rural and regional students to travel to access education services at all levels of training.

### 3. EDUCATION ALTERNATIVES FOR REGIONAL STUDENTS

Limited availability of subjects offered in country schools and by post compulsory providers in rural and regional areas can be seen as a contributing factor to the lower participation of young people from rural and regional areas in higher education.

It is evident that in metropolitan areas there is a broader range of subjects available to young people and the opportunity to attend other schools or tertiary providers if the course of study is not offered at their school which provides them with greater choice of career pathways, as pointed out in a recent Victorian Senate inquiry<sup>3</sup>:

*A key concern relating to VCE achievement at some non-metropolitan and small schools was the limited range of subjects typically offered. Students noted that specialised*

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<sup>2</sup> Page xxii, Parliament of Victoria, Education and Training Committee, Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education, July 2009

<sup>3</sup> Page 103, Parliament of Victoria, Education and Training Committee, Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education, July 2009

*subjects such as LOTE, English literature, physics, chemistry and advanced mathematics subjects are not always available in country schools.*

The limited availability of subjects at both school and TAFE puts country students at a distinct disadvantage over their metropolitan counterparts. Often subjects are not available due to the shortage of skilled teachers.

The shortage of well skilled teachers in rural and regional areas has also contributed to the lack of students understanding of career pathways. Often young people are not participating in higher education because they do not understand what career pathways are available to them in the future.

## 4. EDUCATION NEEDS OF RURAL AND REGIONAL STUDENTS

A lack of well resourced and appropriate educational pathways in the country is another factor impacting on participation levels of young people in post compulsory education, in particular higher education.

Evidence shows that higher numbers of young people drop out of school prior to completing Year 12 in the rural areas in comparison to metropolitan. Based on 2008 figures there is a 11.1% difference in the retention rates of grade 10 to grade 12 students between metropolitan and non-metropolitan schools, being 83.3% vs. 72.2% respectively. Interestingly, in Victoria for the period 1999 to 2008 there has been a marked decline in retention rates in non-metropolitan government schools while the retention rates in metropolitan government schools have increased. The retention rate in 1999 for metropolitan schools was 81.7% compared to 83.3% in 2008 (increase of 1.6%) whereas the retention rate in 1999 for non-metropolitan schools was 74.3% compared to 72.2% in 2008 (decrease of 2.1%).<sup>4</sup>

A considerable percentage of young people in Year 12 would undertake post-compulsory study if the appropriate educational pathways were made available. Many regional centres do not have the appropriate level of funding available to provide TAFE programs that meet the needs of the local community, forcing many young people to either move from rural areas or not enrol in TAFE or higher education institutions. By offering greater access to TAFE programs in rural and regional areas this will provide an alternative pathway for students to undertake higher education and thereby creating a sustainable future for post compulsory education.

In respect to numbers enrolled at university, with the exception of the Central Highlands there has been an overall decrease in numbers of students going directly to university. The decline in numbers of students enrolling directly in university from Gippsland, the Mallee and Western District are particularly concerning (*Source VTAC annual statistics percentage change 01/02 to 2005/2006*).

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<sup>4</sup> Page 56, Parliament of Victoria, Education and Training Committee, Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education, July 2009

*Rural providers must be given the necessary resources to provide a breadth of curriculum and educational opportunities for rural families. Funding should also be provided to vocational training providers to cover transportation costs of rural students to attend the off the job and the on the job components of their studies*

## 5. IMPLICATIONS OF CURRENT AND PROPOSED GOVERNMENT MEASURES

The National Farmers' Federation has recently corresponded with The Hon Julia Gillard's office to raise concerns with recent changes to education assistance. Below are comments made by the NFF which the VFF supports.

### ***Quantum of Youth Allowance***

*Eligibility under the Independence Test enables students to access to the full allowance amount along with the scholarships and rental assistance. This will provide financial security for rural and remote students who are faced with large costs associated with relocation, living away from home and trips home.*

*By reducing the capacity to become eligible through the Independence Test and redirecting more students to be reliant on the Parental Income Test students may not be eligible for the full allowance as the Dependence Test provides for a sliding scale of allowance payments.*

*The NFF recognises that the sliding scale is different for those living away from home providing a larger allowance for rural and remote students. Further, it is recognised that many students will now be eligible for the two scholarships which may offset any loss from not receiving the full allowance that would otherwise apply under the Independence Test or the lowest Parental Income Threshold.*

*Nevertheless, the NFF is concerned that there could be many students under the new arrangements will be worse off than at present.*

*We are not aware of any analysis undertaken that quantifies whether or not there is a net loss or net gain for rural and remote students and further what percentage of students would be worse off under the new arrangements. The NFF recommends that the Commonwealth Government undertake such a study that may shed light to the extent of this issue.*

### ***Independence Test***

*The NFF agrees in principle as to why the Independence Test was tightened, that is, to reduce the number of those living at home who were receiving Youth Allowance regardless of parental income. However, we argue this has come at a cost to remote and rural students that were not the subject of concerns held by the Government.*

*The NFF recommends two amendments to the Independence Test that still maintains the policy intent of the change but ensures that rural and remote students are not adversely affected by the change.*

*First, the NFF suggests an additional exemption to the workforce criterion beyond those currently contemplated including being married or situation making it unreasonable to live at home. The NFF proposes that an exemption for those who cannot live at home to attend higher education due to remoteness from the higher education facility.*

*Secondly, the NFF believes that the 30 hours per week test for at least 18 months during any two year period is too rigid and not consistent with availability of work in rural Australia and how agricultural work is undertaken.*

*For example, it is not uncommon for agricultural work to be undertaken for 45 hours per week but those jobs may not be available year round or alternatively climate conditions may result in some weeks being more than 30 hours of work and some less. As a consequence these workers would probably average 30 hours in an 18 month period but not necessarily every week. The NFF has previously raised this issue as a problem as it relates to eligibility of sole parents for benefits when a child is of school age. The NFF therefore proposes that an amendment is made to the workforce participation criteria that enables for 30 hours per week for at least 18 months where the 30 hours can be averaged over the period.*

#### **Current Gap Year Students seeking Independence**

*The changes to commence 1 January 2010 could impact on those currently undertaking the "Independence Test" option by working for a period of time and have based decisions on the current eligibility criteria and will now be faced with the new criteria halfway through the process. While some of those students may be eligible under the new Dependence Test, some may not, creating difficulties in their status. The NFF recommends that the Government consider an exemption for those students in that particular circumstance by extending the commencement of the new Independence Test for a period of 12 months.*

In addition, the VFF has also received many comments from members on the impact the potential changes will have on their families. For example, below is a quote from one of our members which is reflective of comments provide to the VFF.

*The new proposed system is unfair because most country kids won't be able to qualify, not being able to find enough work with enough hours, or enough pay to fit the requirements. Pretty disheartening for the kids who are trying to get there this year, and find out someone moved the goal posts.<sup>5</sup>*

The proposed changes appear to encourage those who rely on Youth Allowance to take up to 2 years to be eligible for assistance. This raises the concern that once prospective students are in the regional workforce for two years the desire to attain further education will drop and become out or reach due to financial commitments undertaken in the year out of secondary school. In these instances it is likely that the proposed changes will be counterproductive to the policy intent and actually reduce enrolment for regional students relying on Youth Allowance.

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<sup>5</sup> VFF member, Horticulture grower



## 6. EDUCATION AND REGIONAL DEVELOPMENT

Many areas of regional Victoria are experiencing negative population growth while Melbourne plans for an additional 1.2 million in population over the next 10 years. Reasons for increases in the metropolitan population growth include movement of persons from regional areas to metropolitan and the faster rate of immigration to capitals than regional areas of Victoria. The fastest decline in population (0.7%) in Victoria occurred in Yarriambiack and Hindmarsh, which are predominately agricultural areas in north-west Victoria<sup>6</sup>.

A common reason for the move from regional to metropolitan Victoria is a lack of employment opportunity and a disparity in the social and public services. The only way to reverse the decline of regional centres is to provide support and to encourage support to flow naturally to those areas. The continued and improved implementation and delivery of all levels of education can be a significant factor in arresting regional decline.

The following comments are from the Victoria Education Inquiry<sup>7</sup>

*...by providing education, universities play an important role in the development of human capital in regional areas. The movement of people from regional Victoria to Melbourne to participate in higher education, while positive, contributes to the loss of human capital in regional areas. In contrast, regional universities and campuses offer opportunities for people to develop their skills and knowledge without leaving the local community. Graduates who have been educated at a regional university tend to remain in regional Victoria for work, contributing their valuable skills to regional communities. Research at the University of Ballarat has found that while less than a quarter of regional students who have moved to a metropolitan area for study return, 79 per cent of those who study in a regional area stay in a regional area after graduation. At some regional campuses this figure is even higher. Data from the Graduate Destination Survey shows that in 2007, almost 90 per cent of graduates from the La Trobe University Mildura campus were employed in regional Victoria.*

Establishment of regional education centres are a preferred option as country people incur significant costs in undertaking higher education and are usually required to relocate to participate in studies. Situating higher education delivery in large rural regional centres will ensure greater accessibility for regional students and provide valuable regional economic development.

Additional education initiatives to drive regional development could include:

- Develop targeted initiatives to attract post graduates and other skilled labour to rural and regional areas.
- Where a course of study has relevance to rural communities and a work placement is a compulsory component the universities provide for a placement in both rural and urban communities
- Scholarships to encourage people to study in rural areas.
- Improved regional access to Information Technology which will allow for flexible delivery of education programs.

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<sup>6</sup> ABS data: Regional Population Growth, Australia, 2007–08 (cat. no. 3218.0).

<sup>7</sup> Page 135, Parliament of Victoria, Education and Training Committee, Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education, July 2009

## 7. CONCLUSION

Access to quality education is vital for both regional and metropolitan growth in Australia. A guiding principle to any changes to education access should be the equal opportunity for all students, regardless of home location. Regional students are currently placed at a disadvantage to their metropolitan counterparts. Expenses associated with moving, accommodation and adjusting to an entirely new lifestyle can make post secondary education out of reach for many prospective regional students.

Government policy must not overlook the added difficulty regional students face to attain a comparable education to metropolitan students. While the VFF applauds the attempts to address the burden of relocation costs, the changes made to the independence criteria will make additional assistance extremely difficult for region students to access and still reduce accessibility to education. The VFF would like the independence criteria to reflect the need to relocate for many regional students.

Also, the VFF feel that access and delivery of education play an extremely important role in regional development. The delivery and accessibility of quality education to regional students should be a part of a comprehensive regional development strategy undertaken by the State and Federal governments.